No. 86-534

Supreme Court
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1986

CBS INC.,

Petitioner,

v.

MOLECULON RESEARCH CORPORATION,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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RESPONDENT'S BRIEF IN OPPOSITION

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QUESTIONS PRESENTED

1. Whether this Court should grant review of a court of appeals ruling on an interlocutory judgment where that ruling remands the case to the district court for further proceedings on liability and there has been no determination on damages.

2. Whether review should be granted where: (a) both the trial court and the court of appeals concluded there had been no "public use" under Section 102(b); (b) there is no evidence of any kind of a giving over of the invention to the public; and (c) the private use by the inventor of his invention prior to the critical date included only limited exposure to intimate friends and close colleagues, with no commercially motivated activity or relinquishment of control over the invention.

3. Whether review should be granted where: (a) both the trial court and the court of appeals held the Nichols cube puzzle invention was a nonobvious advance over the prior art; (b) the Nichols invention was found to be a "breakthrough" and a "quantum leap" over the prior art; (c) in making these findings the district court complied fully with the requirements set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966); and (d) the Court of Appeals for the Federal Circuit found no reason to disturb these findings.

4. Whether review should be granted where: (a) the court of appeals' challenged treatment of a document entitled "Citation of Prior Art" involved no factual findings; (b) the document in question was the subject of a stipulation between the parties during the pretrial proceedings; (c) the district court considered the file history of which the document was a part but

made no explicit finding in its lengthy opinion; and (d) petitioner had made no argument regarding the document in its brief to the district court.

PARTIES

The following statement is made pursuant to Rule 28.1. Moleculon Research Corporation has been succeeded in interest by Moleculon Research Company. Moleculon Research Company is a substantial shareholder of Moleculon, Inc., a publicly traded corporation.

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RESPONDENT'S BRIEF IN OPPOSITION

I. COUNTERSTATEMENT OF THE CASE

A. The Litigation

This is an action for infringement of U.S. Patent No. 3,655,201 ("Nichols patent") (Pet. App. B, p. B-1) brought on May 25, 1982 by Moleculon Research Corporation ("Moleculon"), as patentee as a result of pre-application assignment of the invention from the inventor, Larry D. Nichols ("Nichols"). The action was begun against Ideal Toy Corporation ("Ideal") and the present defendant, CBS Inc. ("CBS" or

"petitioner"), was substituted after it acquired Ideal later in 1982.

The accused Ideal-CBS products were four rotating cube puzzles: the well-known "Rubik's Cube" ("the 3x3x3"), two versions of "Rubik's Pocket Cube" ("the 2x2x2", which although identical in appearance have somewhat different interior mechanisms) and the "Rubik's Revenge" ("the 4x4x4"). The Complaint charged infringement of Claims 1-5, 6, and 9 by these puzzles. Claims 1 and 2 were disclaimed by Moleculon before trial.

A two-week trial was held in early 1984 in the United States District Court for the District of Delaware before then Chief Judge Walter K. Stapleton, sitting without a jury. The trial dealt solely with issues of validity and infringement, questions of damages and other related issues having been bifurcated.

By Order dated October 2, 1984 (Pet. App. A, p. A-22) the district court adjudged that method Claims 3-5 were valid and infringed by solving or attempting to solve each accused cube and that apparatus Claim 9 was valid, but infringed only by the two 2x2x2 cubes. The district court also adjudged Claim 6 invalid under 35 U.S.C. § 103 in light of two prior art patents to one Gustafson. This Order was supported by an exhaustive Opinion of the same date (Pet. App. A., pp. A-23 to A-58).

CBS, invoking the special interlocutory appeals provision for patent cases in 28 U.S.C. § 1292(c)(2), appealed to the Court of Appeals for the Federal Circuit. No appeal was taken from the holding of invalidity of Claim 6. The court of appeals affirmed the holding of validity of Claims 3-5 and 9 and the

holding of the infringement of all of them by the 2x2x2 cubes. In regard to Claims 3-5, however, the Federal Circuit held that there was no literal infringement of them by the 3x3x3 and 4x4x4 cubes and remanded to the district court for its consideration of the issue of whether solving those cubes infringed Claims 3-5 under the doctrine of equivalents. The court of appeals denied CBS' petitions for reconsideration and suggestion for rehearing in banc without opinion.

Federal jurisdiction in the court of first instance is based upon 28 U.S.C. § 1338(a).

B. Pre-Litigation Facts Relevant To The Issues Presented

Larry D. Nichols, Moleculon's Chief Scientist and the inventor of the puzzle which is the subject of the patent in suit, (Pet. App. B, pp. B-1 to 4) conceived the idea of a rotating cube puzzle while a college student in 1957. Between 1959 and 1962, he constructed two or three puzzle models from heavy paper and magnets, but they were not durable and each lasted only a short time. During this period, while Nichols was a graduate student at Harvard, a few close friends including two roommates and a Chemistry Department colleague had occasion to see one of the paper models in Nichols' room. (Pet. App. A, pp. A-1 to 2, A-23 to 24).

Upon completion of his graduate studies in 1962, Nichols accepted employment as a research scientist with Dr. Arthur Obermayer, the president of Moleculon. In late 1968, Nichols found some small, strong magnets and for the first time made a durable, wood-block prototype puzzle. For a few months Nichols kept

the puzzle at home, but on rare occasions took it to his office. Apart from his family, Nichols showed the model only to a few intimate friends and close colleagues. At all times he retained control of it. (Pet. App. A, pp. A-2, A-24 to 25).

In early January, 1969, Dr. Obermayer happened to see the wood model in Nichols' office and expressed interest. Nichols explained the puzzle and allowed him to take it home. Subsequently, when Obermayer asked whether he intended to commercialize the puzzle, Nichols answered in the negative, and Obermayer suggested that Moleculon might help find a licensee. Nichols responded in a generally affirmative manner and roughly two months later, on March 6, 1969, he executed an agreement assigning his rights in the puzzle invention to Moleculon in return for a share of any proceeds of commercialization. Thereafter, Moleculon undertook an effort to evaluate the commercial potential of the puzzle. (Pet. App. A, p. A-25).

Toward the end of 1969, Nichols began working on Moleculon's patent application. After the exchange of several drafts between Nichols and the company's attorney, an application was filed March 4, 1970, on Moleculon's behalf. The patent on the Nichols invention issued April 11, 1972. (Pet. App. A, p. A-25).

In 1974 a Hungarian instructor in interior design, Erno Rubik, conceived an idea for a cube puzzle and secured a patent for it in that country in December, 1977. Subsequently, Ideal entered into agreements with Rubik and a Hungarian government agency to produce and market the puzzle.

In the summer of 1980, shortly after Ideal commenced selling the Rubik's Cube, Ideal's in-house pat-

ent counsel Richard Rabkin conducted a search at the U.S. Patent Office and discovered the Nichols patent. (Rabkin Dep., p. 59). Although he saw the similarities between the Nichols' and Rubik's cube puzzles, Rabkin told no one and Ideal continued to market the puzzle without inquiry or notice to Moleculon. (Rabkin Dep., pp. 146, 156-57, 163, 172).

In February or March of 1981, Obermayer, the president of Moleculon, discovered Ideal's Rubik's Cube and thereafter wrote to Ideal advising of the Nichols patent. Ideal responded through patent counsel Rabkin that it had studied the prior art and believed that Rubik's Cube did not infringe any valid patent claims. (Pet. App. A, pp. A-25 to 26). In August, 1981, Obermayer met with Ideal's Chairman to discuss the possibility of a license under the Nichols patent. Shortly before the meeting Ideal learned of the Gustafson patent, which it then gave to Obermayer. When subsequent discussions between counsel failed to produce an agreement, this suit was instituted. (Pet. App. A, pp. A-25 to 26).

II. SUMMARY OF ARGUMENT

A. The issues upon which petitioner seeks review have each been determined adversely to it by both the district court and the court of appeals. Where rulings are based on concurrent findings of fact by two lower courts, usually they will not be reviewed by this Court absent a very obvious and exceptional showing of error. No such showing has been made here. Further, and very significantly, the decision of the court of appeals is not a final judgment. The Federal Circuit has remanded the case to the trial court for further proceedings bearing on the issue of

liability. The decisions of both the trial court and the court of appeals are grounded on the application of well-established principles of patent law to the particular facts of this case. While this Court in its discretion may issue a writ of certiorari to a court of appeals in such circumstances, there is no reason, compelling or otherwise, to do so.

B. The issue of "public use" under 35 U.S.C. § 102(b) was decided by both the lower courts on the particular facts of the instant case after careful review of all the surrounding circumstances. The facts in *Egbert v. Lippmann*, 104 U.S. 333 (1881), where there had been a clear dedication of the invention to the public and the invention was in widespread public use prior to the critical date, differ from the facts here in many controlling respects.

C. The district court, applying the standards of *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966), found the Nichols invention and in particular Claims 3-5 of the patent in suit nonobvious—a "breakthrough" and "quantum leap" over the prior art. The court of appeals found no reason to disturb these findings. In seeking here to demonstrate error, petitioner has mischaracterized the Nichols patent claims and conjured a split of authority within the Federal Circuit where none exists.

D. The "Citation of Prior Art" which was the subject of a stipulation between the parties during the pretrial proceedings, was considered by the district court but not regarded as sufficiently important to be discussed. Petitioner made no argument regarding the citation in its brief to the district court. The Federal Circuit's determination to give the citation no weight was properly based upon the uncontroverted

statements in the citation and the fact that the citation had been filed years after the grant of the patent. There is no basis for CBS' contention that the Federal Circuit made impermissible findings regarding this document.

III. ARGUMENT

A. Lack Of Justification Under Rule 17

Petitioner has failed to identify any "special" or "important" reason for review on a writ of certiorari under this Court's Rule 17. The issues of public use and obviousness, which together comprise the principal thrust of the petition, were decided initially by the district court after placing heavy reliance on the credibility of three critical witnesses—the inventor Nichols and respondent's two experts, one of whom the court termed "one of the foremost puzzle experts and puzzle historians in the world." (Pet. App. A, p. A-42). Moreover, this Court has a policy of refraining from reviewing the concurrent findings of fact by two lower courts absent a very obvious and exceptional showing of error. *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 336 U.S. 271, 275 (1949), *adhered to*, 339 U.S. 605, *reh. denied*, 340 U.S. 845 (1950).

In light of the bifurcated trial and the remand by the court of appeals, this case lacks finality. Should Moleculon secure a favorable determination of the remand issue and an award of damages, with both determinations affirmed on appeal, there is a possibility that petitions for writs of certiorari will be filed twice more in this proceeding. In these circumstances, the case should not be reviewed by this Court. As Professor Wright observed:

> The Court may issue a writ of certiorari . . . although the decision of the court of appeals is not a final judgment. The lack of finality may be a factor that will induce the Court to deny certiorari. It has said that it should not review interlocutory orders of the courts of appeals "unless it is necessary to prevent extraordinary inconvenience and embarrassment to the conduct of the cause." (Footnote omitted.)

C. Wright, *The Law of Federal Courts* (4th Ed., 1983), p. 731-2. A portion of one of Professor Wright's footnotes to this paragraph is particularly pertinent here:

> [fn. 6] See also *Brotherhood of Locomotive Firemen and Enginemen v. Bangor & Aroostook R. Co.*, 1967, 88 S.Ct. 437, 438, 389 U.S. 327, 328, 19 L.Ed.2d 560, in which the Court, in denying certiorari, said that the fact that the court of appeals had remanded the case for further proceedings made the case 'not yet ripe for review by this Court.'

Id. Because this case raises no unusual issues and is not yet ripe for review, the petition should be denied.

B. There Was No Public Use Of The Nichols Invention Prior To The Critical Date

The burden of proof rests with the party attacking the validity of a patent under the "public use" doctrine,[1] *TP Laboratories, Inc. v. Professional Position-*

[1] Under 35 U.S.C. § 102(b), a person is entitled to a patent unless the invention was in "public use" more than one year prior to the date of the patent application. The trial court explained that, "The essence of 'public use' is the free and unrestricted giving over of an invention to a member of the public or the public in general." (Pet. App. A, p. A-31).

ers, Inc., 724 F.2d 965, 971 (Fed. Cir.), *motion denied*, 466 U.S. 967, *cert. denied*, 469 U.S. 826 (1984), and defendant has neither offered nor identified evidence even approximating "public use". Courts properly look at all the surrounding circumstances to make the determination. *Id.* at 972. After extensive review of all the circumstances here, the trial court and the court of appeals found no public use.

To persuade this Court that a public use occurred, petitioner has presented the facts in a selective and misleading manner. For example, CBS states that prior to the March 4, 1969 critical date, Nichols made his puzzle available to people "everywhere he went." (Pet., p. 4). Much the same characterization was made below and was disregarded.

From 1959 to 1962, one of Nichols' paper models was observed in his room by a roommate and a few close friends. (Pet. App. A, p. A-24). There is no evidence any of these graduate school associates picked up the model or made any use of it. The trial court credited Nichols' testimony that he would have been "astonished" if any of these intimate friends had felt free to do something with his idea. (Pet. App. A, p. A-28).

With respect to the incidents in late 1968 and early 1969, petitioner ignores the district court's observation that Moleculon did classified work for the government and that its offices were not accessible to the public. Further, all Moleculon employees signed confidentiality agreements and were not free to disseminate information obtained through their work. (Pet. App. A, p. A-29). These facts were part of the surrounding circumstances the district court considered in finding Nichols' unbroken retention of control

over his invention. Although the inventor allowed Obermayer to take the puzzle home overnight, the district determined that Nichols' relationship with Obermayer similarly justified a legitimate expectation of privacy and confidentiality. (Pet. App. A, p. A-32). Indeed, in its brief to the trial court, CBS quoted Nichols' testimony that he had "always 'viewed the cube as [his] own property.' " (CBS Inc.'s Post-Trial Answering Brief, p. 18). Based on the totality of the circumstances, the trial court ruled, and the court of appeals agreed, that Nichols retained control over his invention at all times. (Pet. App. A, pp. A-8 to 9, A-32).[2] He had a legitimate expectation of privacy and confidentiality regarding his invention.

The lower courts' findings and conclusions on public use are entirely consistent with *Egbert v. Lippmann*, 104 U.S. 333 (1881), a decision which each of the courts dealt with at some length. (Pet. App. A, p. A-7 to 8, A-30 to 31). Petitioner's treatment of the case is at best incomplete. In *Egbert*, Samuel Barnes made his corset steel invention in early 1855. At that time Barnes provided a woman friend with free and unrestricted use of the invention, including replacements three years later when the devices wore out. Some eight years later, in 1863, Barnes and his friend, then his wife, demonstrated the steels to a third party named Sturgis—again without restriction or limita-

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[2] Among the facts recited by CBS as having occurred before the critical date is a contact between Obermayer and Parker Brothers "concerning possible disclosure to it of the Nichols puzzle." (Pet., p. 5). In the courts below CBS contended this contact was a public use; however, its employment of the word "possible" seems to indicate an acceptance here of the lower courts' determination that it was not.

tion. Barnes then waited another three years before he filed a patent application in 1866. Reviewing these circumstances, the Court found the giving over for unrestricted use by Barnes to his friend, and the demonstration to Sturgis, constituted public use of the invention.

In urging the irreconcilability of the instant case with *Egbert*, petitioner neglects to point out that between 1855 and the date of the patent application, the principle of his invention "was almost universally used in the manufacture of corset steels." *Egbert*, 104 U.S. at 337. A "great part of the record" was taken up with the testimony of manufacturers and vendors who used the invention "before Barnes applied for his patent." The Court continued: "It is fair to presume that having learned from this general use that there was some value in his invention, Barnes attempted to resume, by an application for a patent, what by his acts he had clearly dedicated to the public." *Id.* at 337.

Nothing in the instant case even approximates the strong evidence of public use in *Egbert*. Nichols continuously retained effective control over his invention and the distribution of information concerning it. Unlike Barnes' device, Nichols' invention was never manufactured and was never even known outside the inventor's intimate circle. Certainly it was not in "general" or "universal" use, nor was there anything which even approached the "clear dedica[tion] to the public" found in *Egbert*. *Id.* Having observed Nichols' testimony at length, the trial court commented, "What I see here, by contrast, is the inventor's private use of his own invention for his own enjoyment." (Pet. App. A, p. A-31).

Finally, the trial court found here no commercial activity before the critical date. For this reason the district court observed, "the underlying policy against extending the effective term of exclusivity is not offended by a finding that the Nichols invention was not in public use." (Pet. App. A, p. A-32). In *Egbert*, if the patent had been held valid, the inventor would have been substantially rewarded for his delay.

C. The Lower Courts Correctly Decided That Nichols' Invention Was Not Obvious

In concluding that claims 3-5 and 9 of the Nichols patent were not obvious, the district court, in a lengthy opinion, conducted an exhaustive review of the facts, specifically noting and closely following the factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). The district court reviewed the record of the case and found it possible to conclude "with some confidence" that the Nichols concept would not have flowed from the nearest prior art, the Gustafson patent. (Pet. App. A., p. A-46). The court found the Nichols invention not only nonobvious, but a "breakthrough" and "quantum leap" over the prior art, quoting with approval the testimony of Moleculon's expert Slocum who rated Nichols' invention "at the top of the list of breakthroughs." (Pet. App. A, p. A-47, A-54).

In determining that Nichols invention was not an obvious development over the prior art, the trial court found "most persuasive" the activities of Gustafson, the inventor of the closest prior art. In seeking to improve upon his spherical device and achieve a puzzle of greater complexity, Gustafson actually contemplated a cube—but he failed to perceive the superior

puzzle which it offered. (Pet. App. A, p. A-47). The court of appeals held that petitioner had failed to demonstrate any error in the district court's conclusion of nonobviousness or the factual underpinnings of that determination. (Pet. App. A, p. A-12).

Petitioner now seeks to overcome these findings by urging that the court of appeals has "retreated from its interpretation of controlling authorities of this Court." (Pet., p. 8). As explained more fully below, CBS' argument is based upon an inaccurate statement of the facts and an attempt to create a conflict of authorities, or more accurately, a conflict of approaches to claims interpretation within the court of appeals, where none exists. CBS then argues that "the problem is acute" and invites this Court to intervene to "prevent injustice." (Pet., pp. 8, 10).

Petitioner's argument mischaracterizes the basic facts. CBS repeatedly states that in determining nonobviousness, the courts below relied upon "unclaimed structure having perceived advantages", "the advantages of unclaimed structure", and "structure not recited in the patent claims". (Pet., pp. i, 8, 9). These phrases are both misleading and objectively erroneous. They are misleading because they fail to distinguish between the concept of "advantages", which do not need to be claimed, and "structure", which does; they are erroneous misstatements because the *structure*, i.e., "*cubes*" together with a "*preselected pattern*" are specifically and expressly recited in the claims. (Pet. App. B, p. B-3 to 4).

Claim 3 of the Nichols patent, the principal claim in issue, recites: "A method for restoring *a preselected pattern* from sets of pieces . . . which sets when in random engagement fail to display said *preselected*

pattern. . . ." The claim goes on to describe the rotations of sets of "*cube pieces*" about various axes until the "*preselected pattern*" is achieved. (Pet. App. B, p. 4). The abstract of the patent refers to the "*cube-type assembly*" with "*one distinct color on each of the six faces*". (Pet. App. B, p. 1). The specification and the drawings both set out the *cubical form* of the puzzle and the *pattern of one color on each of the cube's six faces.* (Emphasis supplied; Pet. App. B, pp. B-1 to 2; B-3, Col. 1, L. 59-65; Col 2, L. 21-27). In short, the extraordinary features and method of play of the Nichols' cube are all set out in the specification and claimed in the claims.

While it is axiomatic that claims are to be interpreted in light of the patent's specification and to be read with a view to ascertaining the invention, *United States v. Adams*, 383 U.S. 39, 49 (1966); *ACS Hosp. Systems, Inc. v. Montefiore Hosp.*, 732 F.2d 1572, 1577 (Fed. Cir. 1984), CBS contends that the Federal Circuit's decisions on this point are in conflict. Petitioner envisions a conflict between the principle that claims are to be read in light of the specification and the principle that everything in a specification need not be read into all of a patent's claims. CBS' perceived conflict is in reality no conflict at all.

CBS contends that *Environmental Designs*, *Raytheon* and *Jones*[3] forbid the interpretation of claims in light of limitations found in the specifications if

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[3] *Environmental Designs, Ltd. v. Union Oil Co. of California*, 713 F.2d 693 (Fed. Cir. 1983), *cert. denied*, 464 U.S. 1043 (1984); *Raytheon Co. v. Roper Corp.*, 724 F.2d 951 (Fed. Cir. 1983), *cert. denied*, 469 U.S. 835 (1984); and *Jones v. Hardy*, 727 F.2d 1524 (Fed. Cir. 1984).

those limitations do not also appear in the claims. This is a misreading of these cases. *Environmental Designs* and *Raytheon*, in relevant part, merely hold that limitations found in the specifications *need not* be read into the claims. "Environmental's argument that Claim 1 *must* include a limitation found in the specification is thus legally unsound" *citing Smith v. Snow*, 294 U.S. 1, 55 S.Ct. 279, 79 L.Ed. 721 (1935). (Emphasis supplied.) *Environmental Designs*, 713 F.2d at 699. Similarly, the court said in *Raytheon*: "That claims are interpreted in light of the specification does not mean that everything expressed in the specification *must* be read into all the claims." (Emphasis supplied.) *Raytheon*, 724 F.2d at 957.

Petitioner continues its misleading argument by contending that unless an inventor in his patent claims specifically recites not only the structural differences between his invention and the prior art but the particular "advantages"[4] of those structural differences, such advantages must be ignored in determining nonobviousness. This is a clear misstatement of the law. Even unexpected advantages and operating characteristics may be taken into account in determining nonobviousness.

In *United States v. Adams*, 383 U.S. 39 (1966), a companion case to *Graham v. John Deere Co.*, the United States, in asserting obviousness, argued that the unexpected operating advantages or characteristics of the patented battery over the prior art "would

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[4] The "advantages" which petitioner contends must be expressly set out in the claims include such things as the fascinating complexity and superiority of the Nichols puzzle over the prior art.

certainly not justify a patent on the essentially old formula." *Adams*, 383 U.S. at 48. This Court was not persuaded. Noting that the operating characteristics of the patented battery were not only unexpected but "far surpassed then-existing wet batteries", the Court concluded the patented invention was not obvious. *Id.* at 51.[5]

Virtually the identical argument CBS presents here was made to the Federal Circuit in *Preemption Devices, Inc. v. Minnesota Mining & Mfg. Co.*, 732 F.2d 903 (Fed. Cir. 1984), *later proceeding*, 630 F. Supp. 463 (E.D Pa. 1985), *later proceeding*, 229 U.S.P.Q. 270 (E.D. Pa.), *later proceeding*, 231 U.S.P.Q. 297 (Fed. Cir. 1986). There the appellant faulted the trial judge in his determination of nonobviousness for relying on ". . . 'sales pitch features' which was allegedly error because they are not recited in the claims of the patent in contest." *Id.* at 907. To this argument the Federal Circuit responded:

> As for putting advantages or "sales pitch features" in claims, counsel should know that they do not properly belong in claims, the sole function of which is to point out distinctly the process, machine, manufacture, or composition of matter which is patented, 35 U.S.C. § 101, 112, not its advantages. It is entirely proper, nevertheless, in evaluating nonobviousness, for a court to take into ac-

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[5] In his opinion, Judge Stapleton not only acknowledged but quoted *Adams*, where this Court stated that "it is fundamental that claims are to be construed in light of the specifications and both are to be read with a view to ascertaining the invention." (App. A, p. A-37).

> count advantages directly flowing from the invention patented. After all, those advantages are the foundation of that "commercial success" which may be evidence of nonobviousness. *Graham v. John Deere Co., supra.*

Preemption Devices, 732 F.2d at 907.

As stated above, CBS has sought to import a cloud of confusion into the Federal Circuit's claims interpretation methodology by positing a conflict of authorities where none exists. Review of the Federal Circuit cases cited by petitioner makes it clear that the alleged conflict with the instant case is an artful fiction—and one of which that court as a whole is quite oblivious. The Federal Circuit has taken a firm and consistent approach to questions of obviousness, hewing closely to the line set down in *Graham v. John Deere Co., supra*, and *United States v. Adams*. Neither the court of appeals nor the trial court departed from that line in holding the Nichols patent nonobvious.

D. The Citation Of Prior Art Was Properly And Adequately Considered By Both Lower Courts

Finally, CBS turns to a document entitled "Citation of Prior Art to the Patent and Trademark Office Pursuant to 35 U.S.C. § 301" (Pet. App. A, p. A-64 to 65). Petitioner contends that a remand is necessary because the district court failed to make findings regarding the citation and the court of appeals impermissibly determined the weight to be given it. The court of appeals carefully reviewed the citation of prior art and decided to give it no weight based upon its uncontroverted contents and the circumstances which surrounded its filing. (Pet. App. A, pp. A-15

to 16). Because the fact of the document, its date and its general contents were all the subject of a stipulation between the parties during the pre-trial proceedings, there was no occasion for the district court to make any further factual findings regarding the document. (Pretrial Order, p. 7).

Although the district court did not specifically refer to the citation by name in making its *Graham v. John Deere Co.* findings, it gave careful consideration to the entire file history of the patent, which included the citation. The trial court made numerous references in its opinion to the file history and its contents. These references included a review of the early drafts which preceded the patent application (Pet. App. A, pp. A-49 to 50) and a detailed discussion of the file history as it related to CBS' argument on file wrapper estoppel. (Pet. App. A, pp. A-50 to 52). In short, the district court carefully considered the prosecution history and the citation and obviously concluded the citation was unimportant.[6]

On appeal, the court of appeals carefully reviewed the lower court's handling of claim interpretation with reference to prior art (Pet. App. A, pp. A-11 to 12), emphasized that the trial court could, but was not obliged to give weight to the citation, and determined that the trial court had acted correctly since the citation shed no additional light on the task of interpreting the Nichols claims. (Pet. App. A, pp. A-15 to 16).

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[6] FED. R. CIV. P. 52(a), does not require that every imaginable permutation of the facts be set out in the opinion. *Medtronic, Inc., v. Daig Corp.*, 789 F.2d 903, 906 (Fed. Cir.), *cert. denied*, 55 U.S.L.W. 3315 (1986).

The district court's failure to mention the citation in its opinion was for good reason—CBS had failed to argue the relevance of the citation in its brief to the court. Having pressed the matter for the first time in its brief to the court of appeals, CBS cannot now be heard to say that the issue should be remanded to the district court for findings simply because it is dissatisfied with the legal conclusions of the appellate court.

IV. CONCLUSION

CBS's Petition for a Writ of Certiorari should be denied.

Respectfully submitted,

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